

019208

Collin:

I have completed the initial analysis of the deviation trends near the diamond drill hole to test the bottom of the decline. This hole has been called ddh-B until drilled. The previously drilled holes I have used are: 78X-04, 79X-02, and 79X-07. The deviation trends for these holes are located on the enclosed computer printout.

At the approximate vertical depth of 570m the deviation trends are as follows:

	NORTHING	EASTING
78X04	73.8m	-44.4m
79X-02	55.3m	-37.3m
79X-07	36.3m	-56.6m

The trends are significantly different. This poses a moderate complication as far as determining an expected trend. Also the data collected from previous drilling has not included vital information such as torque while coring, bit pressure, and bit type. When deviation is to be controlled, as in our case, these aspects of drilling are critical. We can make a few assumptions but the success of selecting a deviation trend and being able to achieve it may be difficult.

I will be in the office late in the PM tomorrow and would like to discuss the deviation with you.

Thanks.

Sincerley yours,



John Zbeetnoff